

Town of Westbrook Financial Policy

Policy #2013-03: Capital and Non-Recurring Expenditure Fund Reserve Policy

CAPITAL AND NON-RECURRING EXPENDITURE UNASSIGNED FUND BALANCE ACCOUNT

Every attempt should be made to include a contribution from the Town's General Fund in an amount equal to 2% of the annual General Fund Operating Budget to the Town's Capital and Non-recurring Expenditure Fund in order to establish or increase a reserve account balance that may be only be used to offset future capital projects, required grant matches and other capital and non-recurring program needs.

The Unassigned Fund Balance account will also be funded by any unexpended funds from capital projects that have been completed. Upon approval of the Board of Finance unexpended project balances will be transferred into the CNRE Unassigned Fund Balance or the original reserve account that funded the project, unless there is a legal restriction that requires the unexpended balance to be spent otherwise.

The decision to transfer funds into the CNRE Unassigned Fund Balance from the General Fund or to use any of these reserves for eligible projects shall be approved by resolution by the Town Board of Finance.

Issue /Revision Date	Approved by
September 19, 2012	Board of Finance